Cash Management Improvement Act Agreement
between
The State of Florida
and
The Secretary of the Treasury,
United States Department of the Treasury

The Secretary of the Treasury, United States Department of the Treasury (hereafter 'Secretary'), and State of Florida (hereafter 'State'), in order to implement Section 5 of the Cash Management Improvement Act of 1990, as amended (hereafter 'Act'), agree as follows:

1.0 AGENTS OF THE AGREEMENT

1.1 The Authorized Official(s) for the State of Florida shall be the the Chief Financial Officer of Florida in all matters concerning this Agreement.

1.2 The Assistant Commissioner, Revenue Collections Management, Bureau of the Fiscal Service (Fiscal Service), U.S. Department of the Treasury, shall act as the Secretary's representative in all matters concerning this Agreement.

2.0 AUTHORITY

2.1 The authority for this Agreement is the Cash Management Improvement Act of 1990 (Public Law 101-453), as amended by the Cash Management Improvement Act of 1992 (Public Law 102-589), codified at 31 U.S.C. 6501 and 31 U.S.C. 6503.

2.2 The regulations codified at 31 CFR Part 205 shall apply to all matters pertaining to this Agreement, and are incorporated herein by reference herein. In the event of any inconsistency between this Agreement and 31 CFR Part 205, the regulations shall govern.

3.0 DURATION, AMENDING, TERMINATING, AND MISCELLANEOUS PROVISIONS

3.1 This Agreement shall take effect on 07/01/2014 and shall remain in effect until 06/30/2018.

3.2 This Agreement may be amended at any time by written, mutual consent of the State and the Fiscal Service. This Agreement shall be amended annually to incorporate new programs that qualify as major Federal assistance programs and remove programs that no longer qualify as major Federal assistance programs. A State must notify the Fiscal Service in writing within 30 days of the time the State becomes aware of a change that involves additions or deletions of programs subject to Subpart A, changes in funding techniques, and/or changes in clearance patterns. The notification must include a proposed amendment for review by the Fiscal Service.

3.3 Notwithstanding section 3.2, in the event of Federal or State non-compliance with Subpart B of 31 CFR, Part 205, the Fiscal Service may amend this Agreement at any time to incorporate additional programs and the entities that administer those programs.

3.4 This Agreement may be terminated by either party with 30 days' written notice. If this Agreement is terminated, the Fiscal Service will prescribe the funding techniques, clearance patterns, and methods for calculating interest liabilities to be used by the State.

4.0 PROGRAMS COVERED

4.1 The State's threshold and its major Federal assistance programs shall be determined based on the State's most recent Single Audit for fiscal year ending 06/30/2013.

All major Federal assistance programs shall be covered by this Agreement, unless otherwise specified in section 4.4 of this Agreement.

4.2 The State's threshold for major Federal assistance programs is $104,073,591.

The following programs meet or exceed the threshold and are not excluded in Section 4.4:

10.551 Supplemental Nutrition Assistance Program
10.553 School Breakfast Program
10.555 National School Lunch Program
10.557 Special Supplemental Nutrition Program for Women, Infants, and Children
10.558 Child and Adult Care Food Program
14.228 Community Development Block Grants/State's Program
17.225F Unemployment Insurance -- Federal Benefit Account and Administrative Costs
17.225S Unemployment Insurance -- State Benefit Account
20.205 Highway Planning and Construction
84.010 Title I Grants to Local Educational Agencies
84.027 Special Education -- Grants to States
84.126 Rehabilitation Services -- Vocational Rehabilitation Grants to States
84.367 Improving Teacher Quality State Grants
84.395 State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act
93.558 Temporary Assistance for Needy Families
93.563 Child Support Enforcement
93.566 Refugee and Entrant Assistance -- State Administered Programs
93.575 Child Care and Development Block Grant
93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.658 Foster Care -- Title IV-E
93.667 Social Services Block Grant
93.767 Children's Health Insurance Program
93.778 Medical Assistance Program
93.917 HIV Care Formula Grants
93.959 Block Grants for Prevention and Treatment of Substance Abuse
96.001 Social Security -- Disability Insurance

4.3 The following programs fall below the State's threshold but have been required to be covered by FMS in accordance with the non-compliance provisions of Subpart B of 31 CFR Part 205:

There are currently no programs listed for Section 4.3.

4.4 The following programs exceed the State's threshold but have been excluded from coverage for the reason indicated:

84.032 Federal Family Education Loans — Exclusion:Federal Statute - Partial Exemption
84.063 Federal Pell Grant Program — Exclusion:Non-State

84.268 Federal Direct Student Loan --- Exclusion:Non-State
93.268 Immunization Grants --- Exclusion:Non-Cash

5.0 ENTITIES COVERED

5.1 State agencies and instrumentalities that meet the definition of a State per 31 CFR Part 205, shall be subject to the terms of this Agreement. The following is a list of such entities that administer funds under the programs listed in Section 4.0 of this Agreement:

Agency for Health Care Administration
Department of Agriculture and Consumer Services
Department of Children and Families
Department of Economic Opportunity
Department of Education
Department of Health
Department of Revenue
Department of Transportation

5.2 Entities that meet the definition of a Fiscal Agent per 31 CFR Part 205 shall be subject to the terms of this Agreement. The following is a list of Fiscal Agents that administer funds under the programs listed in the Section 4.0 of this Agreement:

Capital City Bank 10.557 Special Supplemental Nutrition Program for Women, Infants, and Children
Fidelity Information Services (FIS) 10.551 Supplemental Nutrition Assistance Program
Fidelity Information Services (FIS) 93.558 Temporary Assistance for Needy Families
Hewlett-Packard (HP) 93.778 Medical Assistance Program
Wells Fargo Bank 17.225F Unemployment Insurance -- Federal Benefit Account and Administrative Costs
Wells Fargo Bank 17.225S Unemployment Insurance -- State Benefit Account

6.0 FUNDING TECHNIQUES

6.1 General Terms

6.1.1 The State shall request Federal funds in accordance with the appropriate cut-off times shown in Exhibit I to ensure funds will be received and credited to a State account by the times specified in the funding techniques. Exhibit I is incorporated by reference herein.

6.1.2 The State shall schedule the receipt of Federal funds such that the funds are received and credited to a State account in accordance with the clearance patterns specified in Exhibit II - List of State Clearance Patterns. Exhibit II is incorporated by reference herein.

6.1.3 In instances where the receipt of funds is scheduled for a Saturday, the State shall request funds for deposit on Friday. In instances where the receipt of funds is scheduled for a Sunday, the State shall request funds for deposit on Monday. In instances where the receipt of Federal funds is scheduled for deposit on a day when the State is not open for business, the State shall request funds for deposit the day following the scheduled day; in instances where the receipt of Federal funds is scheduled for deposit on a day when the Federal Government is not open for business, the State shall request funds for deposit the day prior to the scheduled day.

6.1.4 Estimates and Reconciliation of Estimates:
Where estimated expenditures are used to determine the amount of the drawdown, the State will indicate in the terms of

the State unique funding technique how the estimated amount is determined and when and how the State will reconcile the difference between the estimate and the State's actual expenditures.

6.1.5 Supplemental Funding:
Unless otherwise defined by program rules, Supplemental Funding is the award of additional funds to provide for an increase in costs due to unforeseen circumstances.

The State will comply with all Federal program agency policies and procedures for requesting supplemental grant funding.

The State will comply with the following guidelines when requesting supplemental funding for the Medical Assistance Program and associated administrative payments (CFDA 93.778):

The State must submit a revised Medicaid Program Budget Report (CMS-37) to request supplemental funding. The CMS guidelines and instructions for completing the CMS-37 are provided in Section 2600F of the State Medicaid Manual (SMM). The CMS/CO must receive the revised Form CMS-37 through the Medicaid Budget Expenditure System/Children's Budget Expenditure System (MBES/CBES) no later than 10 calendar days before the end of the quarter for which the supplemental grant award is being requested.

Additional guidance on this policy is available from the respective CMS Regional Office, U.S. Department of Health & Human Services.

The State will comply with the following guidelines when requesting supplemental funding for TANF (CFDA 93.558), CCDF (CFDA 93.575), CSE (93.563), and the FC/AA (CFDA 93.658 and CFDA 93.659) programs administered by the U.S. Department of Human Services, Administration for Children and Families (HHS/ACF):

a. Timing of the Request
A State should initiate its request for supplemental funding during a quarter as soon as it becomes aware of the fact that a shortfall does/will exist. For the TANF and CCDF grants, supplemental funding requests (estimates) may be submitted by a State, for consideration by ACF, up through and including the 15th day of the third month of the first, second or third quarter of any fiscal year. Since TANF and CCDF are block grant programs, all unawarded portions of the annual allotment will automatically be issued at the beginning of the fourth quarter. Therefore, supplemental funding requests will not be available during the fourth quarter for these programs. For the CSE and FC/AA programs, supplemental funding requests may be submitted by a state, for consideration by ACF, up through and including the 15th day of the third month of any quarter of a fiscal year.

b. Justification for the Request
The request for a supplemental funding for any of the above mentioned programs should contain a justification clearly documenting the need for the additional funding authority during the current quarter. This documentation should be in the form of State accounting records or similar documents that will show the actual expenditures through the most recent month for which such data are available, as well as the State's most accurate projection of its anticipated expenditures during the remaining month(s) of the quarter. For either the TANF or the CCDF program, the State's justification should also include an explanation of the activities requiring the obligation and/or expenditure of amounts that exceed the normal quarterly grant award restrictions and why these activities could not have been delayed until the next quarter.

c. Form Submittal
Supplemental funding requests should be made by completing the appropriate ACF quarterly report of expenditures and estimates applicable to the particular program for which the grant award request is being made.

d. Approval Process

Upon receipt of the state's request for additional funding authority for a quarter, the ACF Regional Office will promptly review the supporting documentation. If the request is properly justified, so long as ACF has adequate funding availability, the State's request will be expedited and supplemental funding will be issued within 5 days of ACF receiving the request. The State will be notified by the Regional Office when the supplemental award has been transmitted to the Payment Management System (PMS) and when it may initiate drawdowns against the supplemental funding.

Additional guidance on this policy is provided in the U.S. Department of Health & Human Services, Administration for Children and Families, letter (May 19, 2004) to State Administrators from the Deputy Assistant Secretary for Administration.

6.2 Description of Funding Techniques

6.2.1 The following are terms under which standard funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

Actual Clearance, ZBA - Same Day Payment

The State shall request funds the same day it pays out funds, in accordance with the appropriate Federal agency cut-off time specified in Exhibit I.A Federal agency will deposit funds in a State account the same day as requested.The amount of the request shall be for the amount of funds that clear the State's account that day. This funding technique is interest neutral.

6.2.2 The following are terms under which funding techniques for administrative costs shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

There are no funding techniques listed in Section 6.2.2

6.2.3 The following are terms under which miscellaneous funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

Grants Wholly for Administrative Costs

The State shall request a prorated share of its quarterly award to be deposited on the average date of clearance for payroll during each pay period of the quarter, as specified in the appropriate clearance pattern in Exhibit II.The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I.The amount of the prorate shall be determined by dividing the annual award by the number of paydays in the year. This funding technique is interest neutral.

6.2.4 The following are terms under which State unique funding techniques shall be implemented for all transfers of funds to which the funding technique is applied in section 6.3.2 of this Agreement.

Composite Payment Schedule

The State shall request funds weekly for the applicable weekly billing cycle, and shall request funds to be received on the 8th business day from the weighted midpoint of Florida Accounting Information Resource (FLAIR) transactions of the weekly billing cycle. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. Billing for conversion transactions is submitted with the weekly FHWA billing. The Federal interest liability on conversion transactions shall be calculated in accordance with the provisions of Section 8.2.2 of this Agreement. This

funding technique is interest neutral.

Consolidated Direct Administrative Costs of Multiple Grants

The State shall request funds that they are deposited in a State account no earlier than the day that warrant request vouchers are submitted to voucher audit. The State has a Prompt Payment Act and, accordingly, it is the policy of the State to perform voucher audit in an expeditious manner in an effort to pay vendors as soon as possible. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be a proportionate share of funds for consolidated direct administrative costs for multiple grants necessary to address the immediate cash needs. The proportionate share shall be determined by dividing the individual program's grant award by the total grant award for consolidated direct administrative costs of multiple grants and applying the percentage to the total request of funds. This funding technique is not interest neutral.

Indirect Cost Rate - Actual Base - Weekly/Department of Children & Families

The State shall request funds at the beginning of each week for the indirect earnings calculated for the actual expenditures of the preceding week. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request is generated by the department's grants accounting system in accordance with the Department's federally approved indirect cost plan. This funding technique is interest neutral.

Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll

The State shall request funds once a month, such that they are deposited by the end of the month. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be determined by applying the indirect cost rate to the actual direct administrative cost and payroll of the prior month. This funding technique is interest neutral.

Indirect Cost Rate - Actual Base - Quarterly /Department of Revenue

The State shall request funds at least once a quarter, such that they are deposited no later than 45 days from the end of the quarter. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be determined by applying the indirect cost rate to the actual payroll of the quarter. This funding technique is interest neutral.

Indirect Cost Rate - Actual Base - Quarterly/Department of Health

The State shall request funds at least once a quarter, such that they are deposited by the end of the month. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be determined by applying the indirect cost rate to the actual payroll of the quarter. This funding technique is interest neutral.

Indirect Cost Rates - Actual Base - Monthly/Department of Economic Opportunity

The State shall request funds once a month for the indirect earnings calculated for the actual expenditures of the current month. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit 1. The amount of the request shall be determined by applying the indirect cost rate to the appropriate cost base of the current month in accordance with the Department 's Federally approved indirect cost plan. This funding technique is interest neutral.

Modified Actual Clearance

The State has received an estimated amount of funds which it uses to make payments for program purposes for 5 days. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The difference between the estimated amount is adjusted by requesting the actual amount for receipt 3 days after the funds have been paid out for program purposes. Periodically, as needed the State shall adjust the estimated amount of funds to equal the average daily payment for program purposes during the State's prior fiscal year, times the number of days between the payment for program purposes and the Fiscal Agent's receipt of the actual amount paid out. This funding technique is not interest neutral.

Modified Grants Wholly for Administrative Costs

The State shall request a prorated share of its quarterly award to be deposited on the Voucher Date per the published payroll schedule for each pay period of the quarter. The State and the Secretary agree that no interest liabilities shall be incurred or calculated for administrative cost grants, indirect costs and payroll. These costs will be drawn on a scheduled draw basis such that Federal funds will be drawn prorata 26 times a year to coincide with the State's bi-weekly payroll. This means that the total amount of Federal awards to be used for these costs will be equally divided over the course of the fiscal year and no reconciliation of estimate to actual is necessary. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the prorate shall be determined by dividing the annual appropriated budget amount, when it becomes available, by the number of pay days in the year with adjustments as necessary if expenditures are determined to be more or less than the appropriated budget amount. This funding technique is interest neutral.

Modified Payment Schedule - Weekly

The State shall request funds such that they are deposited in a State account on a weekly basis. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request for funds shall be the total amount of Federal funds expected to be paid out for program purposes during the previous weekly disbursement period. This technique will be used unless there is a circumstance that requires the State to vary from this schedule. Such variances occur less than 5% of the specified weekly payment schedule. This funding technique is interest neutral.

Modified Pre-issuance Funding

The State has a Prompt Payment Act and, accordingly, it is the policy of the State to perform voucher audit in an expeditious manner in an effort to pay vendors as soon as possible. The State shall request funds such that they are deposited in a State account on average no more than three days prior to the day the State makes a disbursement. The request shall be made in accordance with the appropriate Federal agency cut-off time specified in Exhibit I. The amount of the request shall be the amount the State expects to disburse. Under the Modified Pre-Issuance funding technique, the State shall adhere to the following processes related to the receipt and disbursement of Federal funds for Direct Program Cost, Direct Administrative Cost and Payroll Components. State agencies are required to submit warrant and EFT transaction request vouchers to the Division of Accounting and Auditing for warrants and EFT transactions to be issued. The time period between the day the Division of Accounting and Auditing receives the warrant or EFT transaction request voucher and the day the Division of Accounting and Auditing issues the warrant or EFT transaction is termed voucher audit. During voucher audit, the Division of Accounting and Auditing makes an administrative determination that there is money in the Treasury, that an appropriation has been made to pay the account and that the expenditure is within the law fixing powers of the State agency incurring the obligation before issuing the warrants. Also, the Division of Accounting and Auditing is required to audit the payment request to determine the appropriateness of the payment. This audit includes but is not limited to determining compliance with (1) contractual provisions, (2) applicable State laws and regulations such as bidding and procurement requirements, travel law requirements, etc., and (3) determination of receipt of goods and

services. To provide a sufficient mechanism to track average clearance patterns, the State of Florida requires the State agencies to request Federal funds, in accordance with Exhibit I, so that they are received in the State's account no earlier than the day the warrant and EFT transaction request vouchers are presented to the Division of Accounting and Auditing for voucher audit. If the Federal funds are requested to be received into a State bank account the same day that warrant and EFT transaction request vouchers are submitted, the average clearance patterns shall be determined according to Section 7.1 of this Agreement. As stated in Section 7.7, if the Federal funds are requested according to Exhibit I to be received after the day that warrant and EFT transaction request vouchers are submitted, the average clearance pattern calculated according to Section 7.1 shall be reduced. This funding technique is not interest neutral.

6.3 Application of Funding Techniques to Programs

6.3.1 The State shall apply the following funding techniques when requesting Federal funds for the component cash flows of the programs listed in sections 4.2 and 4.3 of this Agreement.

6.3.2 Programs

Below are programs listed in Section 4.2 and Section 4.3.

10.551 Supplemental Nutrition Assistance Program
Recipient: Department of Children and Families
% of Funds Agency Receives: 100.00
Component: Benefits to Recipients
Technique: Actual Clearance, ZBA - Same Day Payment
Average Day of Clearance: N/A

10.553 School Breakfast Program
Recipient: Department of Agriculture and Consumer Services
% of Funds Agency Receives: 100.00
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

10.555 National School Lunch Program
Recipient: Department of Agriculture and Consumer Services
% of Funds Agency Receives: 100.00
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

10.557 Special Supplemental Nutrition Program for Women, Infants, and Children
Recipient: Department of Health
% of Funds Agency Receives: 1.63
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Quarterly/Department of Health
Average Day of Clearance: N/A

Recipient: Department of Health
% of Funds Agency Receives: 70.40
Component: Direct Program Costs
Technique: Modified Actual Clearance
Average Day of Clearance: N/A

Recipient: Department of Health
% of Funds Agency Receives: 5.51
Component: Direct Administrative Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Health
% of Funds Agency Receives: 22.46
Component: Payroll
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

10.558 Child and Adult Care Food Program
Recipient: Department of Health
% of Funds Agency Receives: 0.03
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Quarterly/Department of Health
Average Day of Clearance: N/A

Recipient: Department of Health
% of Funds Agency Receives: 0.42
Component: Direct Administrative Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Health
% of Funds Agency Receives: 97.68
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Health
% of Funds Agency Receives: 1.87
Component: Payroll
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

14.228 Community Development Block Grants/State's Program
Recipient: Department of Economic Opportunity
% of Funds Agency Receives: 1.00

Component: Indirect Costs
Technique: Indirect Cost Rates - Actual Base - Monthly/Department of Economic Opportunity
Average Day of Clearance: N/A

Recipient: Department of Economic Opportunity
% of Funds Agency Receives: 1.00
Component: Direct Administrative Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Economic Opportunity
% of Funds Agency Receives: 96.00
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Economic Opportunity
% of Funds Agency Receives: 2.00
Component: Payroll
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

17.225F Unemployment Insurance -- Federal Benefit Account and Administrative Costs
Recipient: Department of Economic Opportunity
% of Funds Agency Receives: 0.12
Component: Indirect Unemployment Insurance Benefit - Federal
Technique: Indirect Cost Rates - Actual Base - Monthly/Department of Economic Opportunity
Average Day of Clearance: N/A

Recipient: Department of Economic Opportunity
% of Funds Agency Receives: 42.14
Component: Direct Administrative Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Economic Opportunity
% of Funds Agency Receives: 30.41
Component: Direct Program Costs - Federal Benefits
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Economic Opportunity
% of Funds Agency Receives: 27.33
Component: Payroll
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

17.225S Unemployment Insurance -- State Benefit Account
Recipient: Department of Economic Opportunity
% of Funds Agency Receives: 100.00
Component: Direct Program Expenditures
Technique: Actual Clearance, ZBA - Same Day Payment
Average Day of Clearance: N/A

20.205 Highway Planning and Construction
Recipient: Department of Transportation
% of Funds Agency Receives: 100.00
Component: Current Project Costs and Payroll
Technique: Composite Payment Schedule
Average Day of Clearance: N/A

84.010 Title I Grants to Local Educational Agencies
Recipient: Department of Education
% of Funds Agency Receives: 0.01
Component: Direct Administrative Costs
Technique: Consolidated Direct Administrative Costs of Multiple Grants
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 0.09
Component: Payroll
Technique: Consolidated Direct Administrative Costs of Multiple Grants
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 0.02
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 99.88
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

84.027 Special Education -- Grants to States
Recipient: Department of Education
% of Funds Agency Receives: 0.01
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 0.01
Component: Direct Administrative Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 99.93
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 0.05
Component: Payroll
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

84.126 Rehabilitation Services -- Vocational Rehabilitation Grants to States
Recipient: Department of Education
% of Funds Agency Receives: 0.08
Component: Direct Administrative Costs
Technique: Consolidated Direct Administrative Costs of Multiple Grants
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 99.64
Component: Direct Program Costs
Technique: Consolidated Direct Administrative Costs of Multiple Grants
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 0.24
Component: Payroll
Technique: Consolidated Direct Administrative Costs of Multiple Grants
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 0.04
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll
Average Day of Clearance: N/A

84.367 Improving Teacher Quality State Grants
Recipient: Department of Education
% of Funds Agency Receives: 0.01

Component: Direct Administrative Costs
Technique: Consolidated Direct Administrative Costs of Multiple Grants
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 0.01
Component: Payroll
Technique: Consolidated Direct Administrative Costs of Multiple Grants
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 0.01
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 99.97
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

84.395 State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act
Recipient: Department of Education
% of Funds Agency Receives: 0.11
Component: Payroll
Technique: Consolidated Direct Administrative Costs of Multiple Grants
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 0.10
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 2.41
Component: Direct Administrative Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 97.38
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

93.558 Temporary Assistance for Needy Families
Recipient: Department of Children and Families
% of Funds Agency Receives: 2.00
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Weekly/Department of Children & Families
Average Day of Clearance: N/A

Recipient: Department of Children and Families
% of Funds Agency Receives: 79.00
Component: Direct Program and Administrative Costs
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

Recipient: Department of Children and Families
% of Funds Agency Receives: 19.00
Component: Payroll
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

93.563 Child Support Enforcement
Recipient: Department of Revenue
% of Funds Agency Receives: 0.22
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Quarterly /Department of Revenue
Average Day of Clearance: N/A

Recipient: Department of Revenue
% of Funds Agency Receives: 73.36
Component: Direct Administrative Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Revenue
% of Funds Agency Receives: 26.42
Component: Payroll
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

93.566 Refugee and Entrant Assistance -- State Administered Programs
Recipient: Department of Children and Families
% of Funds Agency Receives: 1.00
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Weekly/Department of Children & Families
Average Day of Clearance: N/A

Recipient: Department of Children and Families

% of Funds Agency Receives: 95.00
Component: Direct Program and Administrative Costs
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

Recipient: Department of Children and Families
% of Funds Agency Receives: 4.00
Component: Payroll
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

93.575 Child Care and Development Block Grant
Recipient: Department of Education
% of Funds Agency Receives: 0.01
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 0.01
Component: Direct Administrative Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 99.96
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Education
% of Funds Agency Receives: 0.02
Component: Payroll
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund
Recipient: Department of Education
% of Funds Agency Receives: 100.00
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

93.658 Foster Care – Title IV-E
Recipient: Department of Children and Families
% of Funds Agency Receives: 1.00

Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Weekly/Department of Children & Families
Average Day of Clearance: N/A

Recipient: Department of Children and Families
% of Funds Agency Receives: 93.00
Component: Direct Program and Administrative Costs
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

Recipient: Department of Children and Families
% of Funds Agency Receives: 6.00
Component: Payroll
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

93.667 Social Services Block Grant
Recipient: Department of Children and Families
% of Funds Agency Receives: 1.00
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Weekly/Department of Children & Families
Average Day of Clearance: N/A

Recipient: Department of Children and Families
% of Funds Agency Receives: 84.00
Component: Direct Program and Administrative Costs
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

Recipient: Department of Children and Families
% of Funds Agency Receives: 15.00
Component: Payroll
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

93.767 Children's Health Insurance Program
Recipient: Agency for Health Care Administration
% of Funds Agency Receives: 0.02
Component: Indirect Costs
Technique: Grants Wholly for Administrative Costs
Average Day of Clearance: N/A

Recipient: Agency for Health Care Administration
% of Funds Agency Receives: 4.94
Component: Direct Administrative Costs
Technique: Modified Pre-issuance Funding

Average Day of Clearance: N/A

Recipient: Agency for Health Care Administration
% of Funds Agency Receives: 94.83
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Agency for Health Care Administration
% of Funds Agency Receives: 0.21
Component: Payroll
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

93.778 Medical Assistance Program
Recipient: Agency for Health Care Administration
% of Funds Agency Receives: 5.11
Component: Direct Administrative Costs, Payroll, and Indirect Costs
Technique: Modified Grants Wholly for Administrative Costs
Average Day of Clearance: N/A

Recipient: Agency for Health Care Administration
% of Funds Agency Receives: 94.89
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

93.917 HIV Care Formula Grants
Recipient: Department of Health
% of Funds Agency Receives: 0.11
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Quarterly/Department of Health
Average Day of Clearance: N/A

Recipient: Department of Health
% of Funds Agency Receives: 1.20
Component: Direct Administrative Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Health
% of Funds Agency Receives: 88.18
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Health

% of Funds Agency Receives: 10.51
Component: Payroll
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

93.959 Block Grants for Prevention and Treatment of Substance Abuse
Recipient: Department of Children and Families
% of Funds Agency Receives: 1.00
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Weekly/Department of Children & Families
Average Day of Clearance: N/A

Recipient: Department of Children and Families
% of Funds Agency Receives: 97.00
Component: Direct Program and Administrative Costs
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

Recipient: Department of Children and Families
% of Funds Agency Receives: 2.00
Component: Payroll
Technique: Modified Payment Schedule - Weekly
Average Day of Clearance: N/A

96.001 Social Security -- Disability Insurance
Recipient: Department of Health
% of Funds Agency Receives: 0.12
Component: Indirect Costs
Technique: Indirect Cost Rate - Actual Base - Quarterly/Department of Health
Average Day of Clearance: N/A

Recipient: Department of Health
% of Funds Agency Receives: 43.49
Component: Direct Administrative Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Health
% of Funds Agency Receives: 11.10
Component: Direct Program Costs
Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

Recipient: Department of Health
% of Funds Agency Receives: 45.29
Component: Payroll

Technique: Modified Pre-issuance Funding
Average Day of Clearance: N/A

6.3.3 Materiality Exemptions

Agencies exempt from coverage on the basis of materiality:

none

6.3.4 For agencies administering Federal programs pursuant to 31 CFR 205.9(d) and (e) regarding estimates, administrative costs grants and indirect costs - actual base will be drawn on a scheduled draw basis such that Federal funds will be drawn prorata 26 times per year to coinside with the State's bi-weekly payroll. This means that the total amount of the Federal award to be used for these costs will be equally divided over the course of the fiscal year and no reconciliation of estimate to actual is necessary or for agencies where drawdown of Federal funds are based on actual invoices and/or amounts due to be paid out to the recipient, providers, contractors, and employees, if at the next drawdown there is either a deficiency or balance remaining from the previous draw, an adjustment is made to increase or reduce the current drawdown by that amount as defined in the funding techniques described in Sections 6.2 of this agreement.

6.3.5 The State shall apply the following techniques for (1) CFDA 10.551-Health and Welfare clients access benefits for food purchases on a daily basis from participating merchants. FIS will settle with the merchants the following business date with cash being drawn directly from the Federal Treasury by FIS on the day of the settlement. Funds will always be drawn on the same day that settlement funds are paid out. This same day settlement/cash draw will maintain an interest neutral status between the Federal Treasury and the State, (2) CFDA 17.225- Zero Balance Accounting- On a daily basis, the Department of Economic Opportunity draws to cover the re-employment assistance benefit payments that have cleared the bank account the previous day. The draw amount includes the total disbursements presented daily, net any credit items (warrant adjustments) posted. This funding technique is interest neutral. Interest liabilities will be calculated as described in Section 8.3. of this agreement (3) CFDA 93.778-Medicaid providers submit claims to ACS. The State receives requests for provider service dollar payments from ACS once a week. The State determines the Federal portion of the provider service dollar payments and then requests the Federal funds the same day. A warrant request voucher is submitted to voucher audit the next day and a warrant is subsequently issued to ACS. The warrant is deposited into ACS bank account on the same day as it was issued. ACS distributes checks and EFT payments to Medicaid providers.

7.0 CLEARANCE PATTERNS

7.1 The State shall develop separate clearance patterns for each of the following:

Each program listed in Section 4.2 and 4.3 of this agreement

7.2 The following shall develop the State's clearance patterns:

For the average clearance patterns that are developed by the State, the Department of Financial Services, Division of Information Services, is responsible for the development of the average clearance patterns. The State agencies are responsible for providing accurate selection criteria related to program expenditures to ensure proper clearance pattern computation by the Department of Financial Services, Division of Information Services.

7.3 The sources of data the State shall use when developing its clearance patterns are as follows:

The sources of data the State shall use when developing its average clearance patterns are State warrants and EFT/Direct Deposit transactions issued by the Division of Accounting and Auditing and recorded in the FLAIR system.

7.4 The State shall use the following methodology when developing its clearance patterns:

When developing each clearance pattern, the State shall track at least 99% of the funds disbursed, from issuance to clearance, for a period of at least three months.

7.5 The State shall identify for each check or warrant (hereafter, check) in the population: (1) the date the check was released for payment; (2) the date the check was debited from the State's account, and, (3) the amount of the check.

7.5.1 Direct Program Cost, Direct Administrative Cost and Payroll Components

The State of Florida shall identify for each warrant and EFT transaction in the population: (1) the amount of the warrant or EFT transaction, (2) the date the warrant or EFT transaction was submitted to voucher audit (the date received by the Division of Accounting and Auditing), (3) the date the warrant or EFT transaction was issued, (4) the date the funds were debited from the State's account.

7.5.2 The State shall develop a separate average clearance pattern for each program listed in Section 4.2 or 4.3 of this agreement as follows: All State warrants and EFT transactions drawn on Direct Program Costs, Direct Administrative Costs and Payroll Costs components of a program shall be analyzed for a period of time not to be less than three consecutive months. For each warrant and EFT transaction selected for analysis, the State shall capture the date that the related warrant and EFT transaction request voucher was submitted to voucher audit and the date that the funds were debited from the State's account. As stated in Section 6.2.4, for Modified Pre-Issuance funding technique - Direct Program Costs, Direct Administrative Costs and Payroll Costs components, the draws of the Federal funds shall be timed so that the funds are requested in accordance with Exhibit I to be received no earlier than the day that the warrant and EFT transaction request vouchers are submitted to the Division of Accounting and Auditing for voucher audit.

Average clearance patterns for the Direct Program Costs, Direct Administrative Costs and Payroll Costs components shall be calculated based on the dollar weighted average number of days between the submission of the warrant and EFT transaction request vouchers and the debiting of the funds from the State's account. This average shall be calculated in accordance with Section 7.6 of this Agreement.

Pursuant to Section 7.9 of this Agreement, the State has incorporated the average clearance pattern analysis for the year ended June 30, 2013, as Exhibit II of this Agreement. Based on the methodology stated above, the State shall develop average clearance patterns for three consecutive months. These average clearance patterns shall be used to prepare the interest calculation for the period covered by this Agreement and shall be provided to Fiscal Service as soon as they become available.

7.6 The State shall use the following method to calculate the dollar-weighted average day of clearance:

To determine the number of days each check was outstanding (clearance time), the issue date shall be subtracted from the date the check cleared the State's account.

To determine the percentage of the disbursement paid out each day following issuance, the amount of the checks that clear the State's account each day shall be summed and then divided by the amount of the total disbursement.

For each day following issuance, the clearance time of the checks paid out that day shall be multiplied by the percentage of the total disbursement those checks represent. This product is the clearance factor.

The dollar-weighted average day of clearance for the disbursement shall be determined by summing the clearance factor

of each day following the disbursement.

7.6.1 The State will use the following method to calculate the dollar-weighted average day of clearance for Direct Program Costs, Direct Administrative Costs, and Payroll Costs Components.

(a) To determine the number of days that Federal funds were held for each warrant and EFT transaction, Division of Accounting and Auditing's received date shall be subtracted from the date the warrant and EFT transaction cleared the State's account.

(b) The number of days of clearance for each warrant and EFT transaction shall be multiplied by the amount of the related warrant or EFT transaction to calculate the total dollar-days of clearance.

(c) The total dollar-days of clearance calculated shall be divided by the unweighted warrant and EFT transaction issued total to yield the dollar-weighted average days of clearance.

7.7 The State shall adjust each clearance pattern to reflect the dollar-weighted proportion of funds paid out by EFT/Direct payroll, with the following exceptions:

NA

The State shall also adjust each clearance pattern to reflect:

The State shall adjust each average clearance pattern to reflect, when applicable, if Federal funds are requested according to Exhibit I to be received into the State's account 1) after the day that the vouchers are submitted to the Division of Accounting and Auditing for voucher audit for non-payroll warrants and EFT transactions or 2) after the Voucher Audit date per the published payroll schedule for warrants and EFT transactions, thereby reducing the average clearance pattern to reflect the amount of time the Federal funds were held. The State agencies will also be responsible for documenting any instances that the Federal funds are received prior to the day vouchers are submitted and/or prior to the voucher audit date. The State shall adjust the average clearance pattern appropriately to reflect the additional time that the State held the Federal funds. The State agencies shall be required to maintain records of the amount and the number of days Federal funds are expected to be received, based upon requests in accordance with Exhibit I, after the submission of the warrant and EFT transaction request vouchers and the amount of the applicable draw for documentation of the reduction of the clearance pattern for that draw.

7.8 Each of the State's clearance patterns is calculated in calendar days.

7.9 An authorized State official shall certify that each clearance pattern developed by the State accurately corresponds to the clearance activity of the programs to which it is applied. This certification shall be provided to the Fiscal Service prior to the effective date of the Agreement. The State shall recertify its clearance patterns at least every five years.

7.10 The State shall follow the procedures of 31 CFR 205 if it has actual or constructive knowledge, at any time, that a clearance pattern does not correspond to a program's clearance activity.

8.0 INTEREST CALCULATION METHODOLOGY

8.1 General Terms

8.1.1 The State and the Secretary agree that no interest liabilities will be incurred for transfers of funds made in accordance with the procedures specified in section 6 of this Agreement where the following funding techniques are applied:

Actual Clearance, ZBA - Same Day Payment
Composite Payment Schedule
Grants Wholly for Administrative Costs
Indirect Cost Rate - Actual Base - Weekly/Department of Children & Families
Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll
Indirect Cost Rate - Actual Base - Quarterly /Department of Revenue
Indirect Cost Rate - Actual Base - Quarterly/Department of Health
Indirect Cost Rates - Actual Base - Monthly/Department of Economic Opportunity
Modified Grants Wholly for Administrative Costs
Modified Payment Schedule - Weekly

8.1.2 The State shall maintain information on disbursements and receipts of funds to verify the implementation of any funding technique and document interest liabilities.
For each disbursement, the State shall be able to identify:
(1) amount of the issuance
(2) date of issuance
(3) date Federal funds are received and credited to a State account
(4) amount of Federal funds received
(5) date funds were requested

8.1.3 The State shall maintain additional information on disbursements and receipts of funds to verify the implementation of any funding technique and document interest liabilities.
For each disbursement, the State shall be able to also identify:
(1) the date the disbursement was submitted to Voucher Audit
(2) for all interagency journal transfers, including cost reimbursement journal transfers and advanced cost journal transfers, where the primary agency that received funds for program purposes who then transfers a portion of those funds to a secondary agency, the State shall not be required to maintain documentation for the tracking of the journal transfers. The State shall not be liable for any interest on journal transfers from the date the primary agency debited it from their State account for program purposes to the date the corresponding warrant or EFT was debited from the State's account.

8.2 Federal Interest Liabilities

8.2.1 A Federal interest liability shall accrue from the day the State pays out its own funds for program purposes to the day Federal funds are credited to a State account. With regard to funds transferred out of the Federal Highway Trust Fund, if a State does not bill at least weekly for current project costs, the Federal interest liability shall not accrue prior to the day the State submits a request for funds.

8.2.2 The State shall use the following method to calculate Federal interest liabilities:

1)Pre -Issuance Programs For all transactions where the State pays out its own funds for program purposes prior to receiving Federal funds because the Federal agency failed to meet the receipt schedule outlined in Exhibit I, the State agencies shall link each payment from the date it is debited from a State account to the date Federal funds are subsequently credited to a State account to cover that outlay and report this information to the State Coordinator. The Federal interest liability on each payment shall be based on the difference in whole days between the two events. With Federal-State matching programs, interest shall be calculated on the Federal percentage of the disbursement.
2)Composite Payment Schedule For all transactions where the State pays out its own funds for program purposes prior to receiving Federal funds because the Federal agency failed to meet the receipt schedule outlined in Exhibit I, the Federal interest liability shall be based on the difference in whole days between the average date of clearance for the

disbursement, as specified in Exhibit I, and the date the related Federal Funds are credited to a state account. With Federal-State matching programs, interest shall be calculated on the Federal percentage of the disbursement. 3)FHWA Conversions The Federal government shall incur an interest liability for conversion transaction approvals from the date of approval by FHWA until funds are received for the first weekly billing cycle after the approval has been transmitted to the Department of Transportation. The State shall calculate, on an annual basis, the interest due from the Federal government based on the actual amount expended and for the time interval from the FHWA approval date until the funds are received for the first weekly billing cycle after the approval form has been transmitted to the Department of Transportation. In the event the funds are not received by the State in accordance with Exhibit I timelines, the State shall be entitled to calculate a Federal interest liability from the date the Federal agency should have submitted the funds according to Exhibit I timelines until the date the funds are actually received by the state.

[FHWA CONVERSIONS ARE UNDER NEGOTIATION]

8.3 The Unemployment Trust Fund

8.3.1 The State shall use the following method to calculate State interest liabilities on funds withdrawn from the several accounts in the Unemployment Trust Fund:

The State shall use the following methodology to calculate State interest liabilities on funds withdrawn from the several accounts in the UTF under the Unemployment Insurance program.

Based on statements provided by its financial institution, or other appropriate source, the State shall determine the actual interest earnings and the related banking costs attributable to funds withdrawn from its account in the UTF.

At the end of the States fiscal year, the State shall calculate the percentage of its total re-employment assistance expenditures for (1) funds withdrawn from the State account in the UTF, or the State %, and (2) funds withdrawn from the Federal Employees Compensation Account (FECA) and the Extended Unemployment Compensation Account (EUCA) and any other accounts of Federal funds in the UTF, or the Federal %.

The State shall calculate the actual interest earnings and the related banking costs attributable to funds withdrawn from the State account in the UTF by multiplying the State % by the amount of the actual interest earnings and the related banking costs of the account as a whole. The States liability for interest on funds withdrawn from its account in the UTF shall consist of the actual interest earnings attributable to such funds less the related banking costs attributed to such funds.

The State shall determine the average daily cash balance of its re-employment assistance benefit payment account for its fiscal year. The State shall calculate the average daily cash balance of Federal funds by multiplying the Federal % by the average daily cash balance of the benefit payment account on the whole. The States liability for interest on funds withdrawn from the FECA and EUCA (and any other benefit accounts of Federal funds in the UTF from which the State draws funds) shall be the average daily cash balance of Federal funds multiplied by the annualized rate equal to the average equivalent yields of 13-week Treasury bills auctioned during the States fiscal year.

8.4 Refund Liabilities

8.4.1 The State shall be liable for interest on refunds from the date the refund is credited to a State account until the date the refund is debited from the State account for program purposes. The State shall apply a $50,000 refund transaction threshold below which the State shall not incur or calculate interest liabilities on refunds. A transaction is defined as a single deposit.

8.4.2 For each refund, the State shall maintain information identifying:
(1) date a refund is credited to a State account
(2) date of the subsequent deposit of Federal funds against which the refund is offset
(3) amount of the refund

8.4.3 The State shall use the following methodology to calculate interest liabilities on refunds:

With programs to which applicable non-interest neutral funding techniques are applied, the State interest liability shall be based on two periods: (1) the difference in whole days between the date the refund is deposited to a State account, and the date the refund is offset against a subsequent deposit of Federal funds or the date a warrant request voucher is submitted to voucher audit; (2) the difference in whole days between the date the refund is offset against a subsequent deposit of Federal funds or the date a warrant request voucher is submitted to voucher audit, and the date the refund is paid out for program purposes. Interest on refunds during period 1 shall be calculated using information determined by each State agency on refunds recorded. Interest on refunds during period 2 shall be captured under the State's method for calculation interest under pre-issuance funding, set forth in Section 8.6 of this Agreement. Under this method, interest is calculated on totals disbursed, which includes refunds on hand as well as amounts drawn. The reported interest liability for refunds, therefore, shall reflect period 1 only.

8.5 Exemptions

8.5.1 Where more than one State agency is a recipient of Federal funds under a program, a particular State agency's funding may be excluded from interest calculation procedures if the State agency receives an amount of funds less than 5 % of the State's threshold for major Federal assistance programs. Notwithstanding this potential exemption, however, in no case shall less than 90% of a program's total funding be subject to interest calculation procedures.

Proration of calculations: If less than total program funding is subject to interest calculation procedures, the resulting interest liability calculations shall be prorated to 100% of program funding.

8.6 State Interest Liabilities

8.6.1 The State shall be liable for interest on Federal funds from the date Federal funds are credited to a State account until the date those funds are paid out for program purposes.

8.6.2 The State shall use the following method to calculate State interest liabilities on Federal funds:

8.6.2.1 Measuring Time Funds Are Held

To determine the total time Federal funds are held, the State shall measure the time between the date Federal funds are received and credited to a State's account and the date those funds are debited from the State's account. In an effort to provide a sufficient mechanism to track clearance patterns, the State agencies are required to make requests in accordance with Exhibit I so that the Federal funds are received no earlier than the day the warrant and EFT transaction request vouchers are submitted to voucher audit.

8.6.2.2 Source of Data

The time period from the date warrant request vouchers are submitted to voucher audit and the date those funds are debited from the State's account shall be determined from information captured by the State's accounting system, FLAIR. The dollar-weighted average days of clearance determined from this source of data are incorporated in Exhibit II of this Agreement. If Federal funds are requested in accordance with Exhibit I to be received after the day the warrant and EFT

transaction request vouchers are submitted to voucher audit, the State agencies shall provide the information needed to adjust the average clearance pattern. If Federal funds for any type of disbursement are received before the day provided in the receipt window in Exhibit I, the State agencies shall maintain the information needed to adjust the average clearance pattern.

8.6.2.3 Standards Applied

As stated in Section 7.1 of this Agreement, it is the State's intent to analyze 100% of the program warrants and EFT transactions for a three consecutive month period to develop average clearance patterns for the interest calculation. The dollar-weighted average day of clearance shall be determined as specified in Section 7.6 of this Agreement.

8.6.2.4 Calculation Procedure

(a) The State's interest liability for each program shall be calculated by applying the following formula:
I=[Pxrx(CT-A]; where,
I=State's total interest liability for program (or component cash flow of program).
P=Total annual receipts of Federal funds for program (or Component cash flow of program).
r=Annualized rate equal to the average bond equivalent yield of 13-week Treasury bills auctioned during a State's fiscal year divided by the number of days in the State's fiscal year.
CT=Dollar-weighted average number of days between the date that the warrant and EFT transaction request vouchers are submitted to voucher audit and the date the funds are paid out for program purposes and debited from a State account, as determined by the appropriate clearance pattern.
A=Based upon request of Federal funds in accordance with Exihibit I, number of Federal funds are expected to be received into a State account after the day that warrant and EFT transaction request vouchers were submitted to voucher audit.
(b) The State's interest liability for the balance in the WIC bank account (CFDA 10.557) shall be calculated by the following formula:
I = ADB x R, where
I = State's total interest liability
ADB = Average Daily Balance of cash in a program's account
R = Annualized rate equal to the average equivalent yields of 13-week Treasury bills auctioned during a State's fiscal year
(c) The State's interest liability for CFDA 93.778 is calculated in two parts. The interest liability associated with the funds deposited in the State Treasury shall be calculated according to Part (a) above. After the funds have been credited to the MAP bank account, the State's interest liability for the balance in the MAP bank account and for the Special Purpose Investment Account shall be calculated by the following formula:
I = ADB x R; where,
I = State's total interest liability
ADB = Average Daily Balance of cash in a program's account
R = Annualized rate equal to the average equivalent yields of 13-week Treasury bills auctioned during a State's fiscal year

9.0 REVERSE FLOW PROGRAMS

The State is not required to cover any reverse flow programs under the terms of this Agreement because the State does not participate in the program.

10.0 INTEREST CALCULATION COSTS

10.1 As set forth in 31 CFR 205.27, interest calculation costs are defined as those costs necessary for the actual calculation of interest, including the cost of developing and maintaining clearance patterns in support of the interest

calculations. Interest calculation costs do not include expenses for normal disbursing services, such as processing of checks or maintaining records for accounting and reconciliation of cash balances, or expenses for upgrading or modernizing accounting systems. Interest calculation costs in excess of $50,000 in any year are not eligible for reimbursement, unless the State provides justification with the annual report.

10.2 The State expects to incur the following types of interest calculation costs:

1) Actual time and expenses incurred to establish clearance patterns
2) Actual costs directly related to calculation of interest
3) Costs associated with preparing the annual report

10.3 The State shall submit all claims for reimbursement of interest calculation costs with its Annual Report in accordance with 31 CFR 205.

11.0 NON-COMPLIANCE

11.1 The provisions of 31 CFR Part 205.29 and 31 CFR Part 205.30 shall apply in cases of non-compliance with the terms of this Agreement.

12.0 AUTHORIZED SIGNATURES

Jeff Atwater
Chief Financial Officer
(b) (6)

Signature: (b) (6) Date Signed: 06/24/14

Date Submitted 06/01/2014 (b)

Kristine S. Conrath
Assistant Commissioner
Revenue Collections Management
Bureau of the Fiscal Service
U.S. Department of the Treasury

Signature: Cornell A. McJames Date Signed: 7/9/14

Exhibit I - Funds Request and Receipt Times Schedule
State of Florida

Federal Agency	Payment Type	Request Cut-Off Time	Receipt Window
Agriculture-FNS	ACH	11:59 PM	1 day
Agriculture-FNS	Fedwire	5:45 PM	0 day
Agriculture-FS	ACH	3:00 PM	1 day
Air National Guard	ACH	12:00 PM	15 days
Army National Guard	ACH	12:00 PM	15 days
Commerce-NOAA	ACH	2:00 PM	1 day
Dept of Homeland Security (FEMA)	Fedwire	2:00 PM	0 day
Dept of Homeland Security (ODP)	ACH	2:00 PM	2 days
Dept of Homeland Security (ODP)	Fedwire	2:00 PM	2 days
EPA	ACH	2:00 PM	2 days
EPA	Fedwire	2:00 PM	0 day
Education	ACH	3:00 PM	1 day
Education	Fedwire	2:00 PM	0 day
Energy	ACH	4:00 PM	1 day
Energy	Fedwire	3:00 PM	0 day
HHS	ACH	6:30 PM	1 day
HHS	Fedwire	3:00 PM	0 day
HUD	ACH	5:30 PM	2 days
HUD	Fedwire	3:00 PM	0 day
Interior-FWS	ACH	11:59 PM	1 day
Interior-FWS	Fedwire	5:45 PM	0 day
Interior-OSM	ACH	3:00 PM	1 day
Interior-OSM	Fedwire	5:45 PM	0 day
Justice	ACH	11:00 PM	6 days
Justice	Fedwire	2:00 PM	2 days
Labor-Non-UTF	ACH	3:00 PM	1 day
Labor-UTF	ACH	3:00 PM	1 day
Labor-UTF	Fedwire	3:00 PM	0 day
National Science Foundation (NSF)	ACH	8:00 PM	1 day
National Science Foundation (NSF)	Fedwire	5:45 PM	0 day
Social Security Administration	ACH	11:59 PM	1 day
Social Security Administration	Fedwire	5:45 PM	0 day
Transportation (FAA)	ACH	2:00 PM	1 day
Transportation (FHWA)	ACH	12:00 PM	3 days
Transportation (FHWA)	Fedwire	12:00 PM	0 day
Transportation (FTA)	ACH	2:00 PM	1 day
Veterans Administration	ACH	12:00 PM	3 days

Exhibit II - State of Florida

LIST OF STATE CLEARANCE TIMES

(Rounded Dollar-Weighted Average Day of Clearance)

Clearance Times Where the Timing of A Draw Down Is Based on A Clearance Pattern

CFDA	Program Name	Recipient	%	Component	Technique	Rounded days
10.551	Supplemental Nutrition Assistance Program	Department of Children and Families	100.00	Benefits to Recipients	Actual Clearance, ZBA - Same Day Payment	N/A
10.553	School Breakfast Program	Department of Agriculture and Consumer Services	100.00	Direct Program Costs	Modified Pre-issuance Funding	N/A
10.555	National School Lunch Program	Department of Agriculture and Consumer Services	100.00	Direct Program Costs	Modified Pre-issuance Funding	N/A
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health	70.40	Direct Program Costs	Modified Actual Clearance	N/A
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health	1.63	Indirect Costs	Indirect Cost Rate - Actual Base - Quarterly/Department of Health	N/A
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health	5.51	Direct Administrative Costs	Modified Pre-issuance Funding	N/A
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health	22.46	Payroll	Modified Pre-issuance Funding	N/A
10.558	Child and Adult Care Food Program	Department of Health	0.03	Indirect Costs	Indirect Cost Rate - Actual Base - Quarterly/Department of Health	N/A
10.558	Child and Adult Care Food Program	Department of Health	1.87	Payroll	Modified Pre-issuance Funding	N/A
10.558	Child and Adult Care Food Program	Department of Health	97.68	Direct Program Costs	Modified Pre-issuance Funding	N/A
10.558	Child and Adult Care Food Program	Department of Health	0.42	Direct Administrative Costs	Modified Pre-issuance Funding	N/A
14.228	Community Development Block Grants/State's Program	Department of Economic Opportunity	1.00	Indirect Costs	Indirect Cost Rates - Actual Base - Monthly/Department of Economic Opportunity	N/A
14.228	Community Development Block Grants/State's Program	Department of Economic Opportunity	1.00	Direct Administrative Costs	Modified Pre-issuance Funding	N/A
14.228	Community Development Block Grants/State's Program	Department of Economic Opportunity	2.00	Payroll	Modified Pre-issuance Funding	N/A
14.228	Community Development Block Grants/State's Program	Department of Economic Opportunity	96.00	Direct Program Costs	Modified Pre-issuance Funding	N/A
17.225F	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	Department of Economic Opportunity	0.12	Indirect Unemployment Insurance Benefit - Federal	Indirect Cost Rates - Actual Base - Monthly/Department of Economic Opportunity	N/A

Exhibit II - State of Florida

LIST OF STATE CLEARANCE TIMES

(Rounded Dollar-Weighted Average Day of Clearance)

Clearance Times Where the Timing of A Draw Down Is Based on A Clearance Pattern

CFDA	Program Name	Recipient	%	Component	Technique	Rounded days
10.551	Supplemental Nutrition Assistance Program	Department of Children and Families	100.00	Benefits to Recipients	Actual Clearance, ZBA - Same Day Payment	N/A
10.553	School Breakfast Program	Department of Agriculture and Consumer Services	100.00	Direct Program Costs	Modified Pre-issuance Funding	N/A
10.555	National School Lunch Program	Department of Agriculture and Consumer Services	100.00	Direct Program Costs	Modified Pre-issuance Funding	N/A
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health	70.40	Direct Program Costs	Modified Actual Clearance	N/A
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health	1.63	Indirect Costs	Indirect Cost Rate - Actual Base - Quarterly/Department of Health	N/A
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health	5.51	Direct Administrative Costs	Modified Pre-issuance Funding	N/A
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	Department of Health	22.46	Payroll	Modified Pre-issuance Funding	N/A
10.558	Child and Adult Care Food Program	Department of Health	0.03	Indirect Costs	Indirect Cost Rate - Actual Base - Quarterly/Department of Health	N/A
10.558	Child and Adult Care Food Program	Department of Health	1.87	Payroll	Modified Pre-issuance Funding	N/A
10.558	Child and Adult Care Food Program	Department of Health	97.68	Direct Program Costs	Modified Pre-issuance Funding	N/A
10.558	Child and Adult Care Food Program	Department of Health	0.42	Direct Administrative Costs	Modified Pre-issuance Funding	N/A
14.228	Community Development Block Grants/State's Program	Department of Economic Opportunity	1.00	Indirect Costs	Indirect Cost Rates - Actual Base - Monthly/Department of Economic Opportunity	N/A
14.228	Community Development Block Grants/State's Program	Department of Economic Opportunity	1.00	Direct Administrative Costs	Modified Pre-issuance Funding	N/A
14.228	Community Development Block Grants/State's Program	Department of Economic Opportunity	2.00	Payroll	Modified Pre-issuance Funding	N/A
14.228	Community Development Block Grants/State's Program	Department of Economic Opportunity	96.00	Direct Program Costs	Modified Pre-issuance Funding	N/A
17.225F	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	Department of Economic Opportunity	0.12	Indirect Unemployment Insurance Benefit - Federal	Indirect Cost Rates - Actual Base - Monthly/Department of Economic Opportunity	N/A

CFDA	Program Name	Recipient	%	Component	Technique	Rounded days
17.225F	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	Department of Economic Opportunity	30.41	Direct Program Costs - Federal Benefits	Modified Pre-issuance Funding	N/A
17.225F	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	Department of Economic Opportunity	42.14	Direct Administrative Costs	Modified Pre-issuance Funding	N/A
17.225F	Unemployment Insurance -- Federal Benefit Account and Administrative Costs	Department of Economic Opportunity	27.33	Payroll	Modified Pre-issuance Funding	N/A
17.225S	Unemployment Insurance -- State Benefit Account	Department of Economic Opportunity	100.00	Direct Program Expenditures	Actual Clearance, ZBA - Same Day Payment	N/A
20.205	Highway Planning and Construction	Department of Transportation	100.00	Current Project Costs and Payroll	Composite Payment Schedule	N/A
84.010	Title I Grants to Local Educational Agencies	Department of Education	0.09	Payroll	Consolidated Direct Administrative Costs of Multiple Grants	N/A
84.010	Title I Grants to Local Educational Agencies	Department of Education	0.01	Direct Administrative Costs	Consolidated Direct Administrative Costs of Multiple Grants	N/A
84.010	Title I Grants to Local Educational Agencies	Department of Education	0.02	Indirect Costs	Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll	N/A
84.010	Title I Grants to Local Educational Agencies	Department of Education	99.88	Direct Program Costs	Modified Pre-issuance Funding	N/A
84.027	Special Education -- Grants to States	Department of Education	0.01	Indirect Costs	Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll	N/A
84.027	Special Education -- Grants to States	Department of Education	99.93	Direct Program Costs	Modified Pre-issuance Funding	N/A
84.027	Special Education -- Grants to States	Department of Education	0.01	Direct Administrative Costs	Modified Pre-issuance Funding	N/A
84.027	Special Education -- Grants to States	Department of Education	0.05	Payroll	Modified Pre-issuance Funding	N/A
84.126	Rehabilitation Services -- Vocational Rehabilitation Grants to States	Department of Education	0.24	Payroll	Consolidated Direct Administrative Costs of Multiple Grants	N/A
84.126	Rehabilitation Services -- Vocational Rehabilitation Grants to States	Department of Education	0.08	Direct Administrative Costs	Consolidated Direct Administrative Costs of Multiple Grants	N/A
84.126	Rehabilitation Services -- Vocational Rehabilitation Grants to States	Department of Education	99.64	Direct Program Costs	Consolidated Direct Administrative Costs of Multiple Grants	N/A
84.126	Rehabilitation Services -- Vocational Rehabilitation Grants to States	Department of Education	0.04	Indirect Costs	Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll	N/A
84.367	Improving Teacher Quality State Grants	Department of Education	0.01	Payroll	Consolidated Direct Administrative Costs of Multiple Grants	N/A
84.367	Improving Teacher Quality State Grants	Department of Education	0.01	Direct Administrative Costs	Consolidated Direct Administrative Costs of Multiple Grants	N/A
84.367	Improving Teacher Quality State Grants	Department of Education	0.01	Indirect Costs	Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll	N/A
84.367	Improving Teacher Quality State Grants	Department of Education	99.97	Direct Program Costs	Modified Pre-issuance Funding	N/A

CFDA	Program Name	Recipient	%	Component	Technique	Rounded days
84.395	State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	Department of Education	0.07	Indirect Costs	Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll	N/A
84.395	State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	Department of Education	2.60	Direct Administrative Costs	Modified Pre-issuance Funding	N/A
84.395	State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	Department of Education	97.33	Direct Program Costs	Modified Pre-issuance Funding	N/A
93.558	Temporary Assistance for Needy Families	Department of Children and Families	2.00	Indirect Costs	Indirect Cost Rate - Actual Base - Weekly/Department of Children & Families	N/A
93.558	Temporary Assistance for Needy Families	Department of Children and Families	19.00	Payroll	Modified Payment Schedule - Weekly	N/A
93.558	Temporary Assistance for Needy Families	Department of Children and Families	79.00	Direct Program and Administrative Costs	Modified Payment Schedule - Weekly	N/A
93.563	Child Support Enforcement	Department of Revenue	0.22	Indirect Costs	Indirect Cost Rate - Actual Base - Quarterly /Department of Revenue	N/A
93.563	Child Support Enforcement	Department of Revenue	73.36	Direct Administrative Costs	Modified Pre-issuance Funding	N/A
93.563	Child Support Enforcement	Department of Revenue	26.42	Payroll	Modified Pre-issuance Funding	N/A
93.566	Refugee and Entrant Assistance -- State Administered Programs	Department of Children and Families	1.00	Indirect Costs	Indirect Cost Rate - Actual Base - Weekly/Department of Children & Families	N/A
93.566	Refugee and Entrant Assistance -- State Administered Programs	Department of Children and Families	4.00	Payroll	Modified Payment Schedule - Weekly	N/A
93.566	Refugee and Entrant Assistance -- State Administered Programs	Department of Children and Families	95.00	Direct Program and Administrative Costs	Modified Payment Schedule - Weekly	N/A
93.575	Child Care and Development Block Grant	Department of Education	0.14	Indirect Costs	Indirect Cost Rate - Actual Base - Monthly/Administrative and Payroll	N/A
93.575	Child Care and Development Block Grant	Department of Education	98.16	Direct Program Costs	Modified Pre-issuance Funding	N/A
93.575	Child Care and Development Block Grant	Department of Education	0.04	Payroll	Modified Pre-issuance Funding	N/A
93.575	Child Care and Development Block Grant	Department of Education	1.66	Direct Adminstrative Costs	Modified Pre-issuance Funding	N/A
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	Department of Education	100.00	Direct Program Costs	Modified Pre-issuance Funding	N/A
93.658	Foster Care -- Title IV-E	Department of Children and Families	1.00	Indirect Costs	Indirect Cost Rate - Actual Base - Weekly/Department of Children & Families	N/A
93.658	Foster Care -- Title IV-E	Department of Children and Families	6.00	Payroll	Modified Payment Schedule - Weekly	N/A
93.658	Foster Care -- Title IV-E	Department of Children and Families	93.00	Direct Program and Administrative Costs	Modified Payment Schedule - Weekly	N/A
93.667	Social Services Block Grant	Department of Children and Families	1.00	Indirect Costs	Indirect Cost Rate - Actual Base - Weekly/Department of Children & Families	N/A

CFDA	Program Name	Recipient	%	Component	Technique	Rounded days
93.667	Social Services Block Grant	Department of Children and Families	15.00	Payroll	Modified Payment Schedule - Weekly	N/A
93.667	Social Services Block Grant	Department of Children and Families	84.00	Direct Program and Administrative Costs	Modified Payment Schedule - Weekly	N/A
93.767	Children's Health Insurance Program	Agency for Health Care Administration	0.21	Payroll	Modified Pre-issuance Funding	N/A
93.767	Children's Health Insurance Program	Agency for Health Care Administration	94.83	Direct Program Costs	Modified Pre-issuance Funding	N/A
93.767	Children's Health Insurance Program	Agency for Health Care Administration	4.94	Direct Administrative Costs	Modified Pre-issuance Funding	N/A
93.767	Children's Health Insurance Program	Agency for Health Care Administration	0.02	Indirect Costs	Grants Wholly for Administrative Costs	N/A
93.778	Medical Assistance Program	Agency for Health Care Administration	5.11	Direct Administrative Costs, Payroll, and Indirect Costs	Modified Grants Wholly for Administrative Costs	N/A
93.778	Medical Assistance Program	Agency for Health Care Administration	94.89	Direct Program Costs	Modified Pre-issuance Funding	N/A
93.917	HIV Care Formula Grants	Department of Health	0.11	Indirect Costs	Indirect Cost Rate - Actual Base - Quarterly/Department of Health	N/A
93.917	HIV Care Formula Grants	Department of Health	10.51	Payroll	Modified Pre-issuance Funding	N/A
93.917	HIV Care Formula Grants	Department of Health	88.18	Direct Program Costs	Modified Pre-issuance Funding	N/A
93.917	HIV Care Formula Grants	Department of Health	1.20	Direct Administrative Costs	Modified Pre-issuance Funding	N/A
93.959	Block Grants for Prevention and Treatment of Substance Abuse	Department of Children and Families	1.00	Indirect Costs	Indirect Cost Rate - Actual Base - Weekly/Department of Children & Families	N/A
93.959	Block Grants for Prevention and Treatment of Substance Abuse	Department of Children and Families	2.00	Payroll	Modified Payment Schedule - Weekly	N/A
93.959	Block Grants for Prevention and Treatment of Substance Abuse	Department of Children and Families	97.00	Direct Program and Administrative Costs	Modified Payment Schedule - Weekly	N/A
96.001	Social Security -- Disability Insurance	Department of Health	0.12	Indirect Costs	Indirect Cost Rate - Actual Base - Quarterly/Department of Health	N/A
96.001	Social Security -- Disability Insurance	Department of Health	45.29	Payroll	Modified Pre-issuance Funding	N/A
96.001	Social Security -- Disability Insurance	Department of Health	11.10	Direct Program Costs	Modified Pre-issuance Funding	N/A
96.001	Social Security -- Disability Insurance	Department of Health	43.49	Direct Administrative Costs	Modified Pre-issuance Funding	N/A

I hereby certify that an authorized State official has certified at least every five years that the "Rounded Days of Clearance" listed in Exhibit 2 of this Treasury-State Agreement:

1. Have been prepared in accordance with the standards provided in 31 CFR 205.20;

2. Accurately represent the flow of Federal funds under the Federal assistance programs to which they apply;

3. Reflect seasonal or other periodic variations in the clearance activities; and,

4. Are auditable.

Date: 4/28/2014

Printed Name: Melisa Hevey

Certifying Signature: (b) (6) [redacted]

Title: Chief, Bureau of Funds Management
DFS, Division of Treasury